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THE BUSINESS AND INDUSTRIAL OUTLOOK

THE tension in the American money market developing during October found some relief as a result of the following occurrences: the cessation of gold exports growing out of a renewed confidence of foreign correspondents in the solvency of American banks, President Hoover's statement in regard to the decline in the rate of bank failures, and the announcement in regard to the organization and functions of the National Credit Corporation. While certain statements were made in regard to declines in the amount of money in circulation the last week of October as an indication of a reduction in the volume of hoarding, it turned out to be true that this decline was merely a seasonal decline, which was followed the next week by a large increase which was slightly in excess of the seasonal expectations. The decline in the second week of November was only slightly more than seasonal so that there is no convincing evidence that hoarded money is now finding its way back to the accustomed channels. The National Credit Corporation is said to be carrying out its rediscount functions in the direction of giving relief to banks. It is not intended, however, that the Credit Corporation will lend money on real estate mortgages and consequently the frozen credits in the real estate mortgage market will remain unchanged for the time being. It is hoped that the proposed system of reserves for building and loan associations may serve to restore these institutions to a liquid position.

The wholesale commodity price index rose 1.9 points during October as a result of the increase in the price of wheat and the price of fuels. The declines in other groups would have fully offset the increase in the price of fuels so that the rise may be attributed mainly to the upward movement in the price of wheat. The rise in the price of wheat has created more optimistic feeling in regard to possible recovery from the depression. It is generally accepted that the relative stability of wholesale prices during the past six months has also been the outstanding favorable feature in regard to the business situation. The higher prices in England have grown out of the further decline in the value of the pound sterling.

While there was a slight increase in contracts awarded as compared with the average September-to-October change, this grew out of increases in New York City and the New England districts only. There is not at the present time a prospect for a broad general improvement in the construction industry. It will doubtless be a retarding factor in relation to any possible recovery in business activity during the fall and winter months, on account of the unsatisfactory conditions prevailing in the real estate mortgage market.

Automobile production and sales as shown on succeeding pages indicate the industry's continued decline in activity, eleven companies having reported their plants as closed down in October. The reopening of these plants in November and the preparation for placing the new models on sale in January will cause an increase in productive activity in November. The new Ford model expected in January has doubtless been one of the chief causes of the decline in sales and production of the old model. It would be reasonable, therefore, to expect some deferred buying of automobiles after the turn of the year. Under the circumstances such increase in activity should be accepted with reservations as indicative of a broad general upturn in the automobile industry.

While iron and steel prices and production were lower in October than in September there was a slight upturn in steel production in the first week of November due largely to increasing demand from the automobile, oil, and agricultural implement industries. This increased demand is expected to continue during November and to be followed by some decline in December.

Business analists have derived considerable encouragement from the increased activity of boot and shoe production, wool consumption, and cotton consumption in 1931 as compared with 1930, but in September all of these showed a decline in comparison with the preceding month maintaining at the same time an excess over September, 1930.

Several indexes currently relied upon as indicating the state of business activity indicate that a new low was made in October. Industrial employment in Ohio fell 1 per cent more than the average September-to-October decline; bank debits both in Ohio and the United States showed less than the average improvement in October as compared with September; and the *Annalist* index of business activity made a new low. The index of industrial production in the United States fell below the low of 1930 for the first time in August, 1931, the September

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figure falling still lower than that for August. The indications are that the October figure will show further decline. A new low for the year in this index is likely to appear in December.

There was some improvement in the export and import trade of both the United States and Great Britain in September as compared with August. While it is expected that the suspension of the gold standard in England will tend to stimulate its export trade, it is probable that the increase in the export trade of the United States will be little more than the seasonal increase unless stimulated by preparations for war between Japan and China.

While the declaration of war between Japan and China might cause a temporary reaction in the securities markets its secondary effect would be to stimulate business activity in the chief industrial nations by reason of the inflation due to preparation for war, and it might greatly stimulate recovery from depression. Such a recovery, however, would be followed later by distressing circumstances developing in the deflation of a post-war era.

Business activity finds at the present time a retarding factor in the tendency of banks to retire loans and restrict credits with a view of keeping their condition liquid. The recent declines in both demand and time deposits of banks have grown out of two important causes. One of these is the current liquidation of loans by the banks in order to place themselves in a liquid position and the other is the continued withdrawal of fund by those who are hoarding cash. While there has been some evidence of a relaxation in the October money tension, there is yet to appear convincing evidence of a decline in the hoarding of money and an increase either in demand or time deposits of the banks. The continued decline in employment is also an unfavorable factor to business recovery.

The stock market reached a low for the current depression on October 5. Those familiar with stock market movements will have noted that the market moves upward and reacts and then moves up and reacts again. If the reactions are in general less than the upward movement one says that the trend of the market is upward. In this sense the trend of the market has been upward since October 5. To date, the upward movement has been little more than might be expected after a prolonged liquidation like that preceding the recent rise. The upward movement has been stimulated by the rise in the price of wheat, oil, and silver, and the slight increase in the activity of the iron and steel industry. The October-November rise has been less than half of the September decline. The decline beginning November 10 threatens to carry the market into a downward trend. The present weakness in business activity can hardly sustain an upward trend in stocks.

SPURGEON BELL, *Director.*

BUSINESS CONDITIONS IN OHIO AND OHIO CITIES

Employment in Ohio

Total industrial employment in Ohio showed a further shrinkage in October. The decline for the month amounted to 2 per cent, and the October total was 14 per cent less than in the same month of last year. The October decline was experienced in all types of employment—manufacturing, non-manufacturing, and construction. By types of employment, the October decline from September amounted to 2 per cent in manufacturing and non-manufacturing employment, and 7 per cent in construction employment. The decline in both manufacturing and construction employment was greater than the 5-year average decline for October, and the decline in non-manufacturing employment was in contrast with a 5-year average increase. As compared with October, 1930, manufacturing employment declined 13 per cent; non-manufacturing employment, 15 per cent; construction employment, 34 per cent; and total industrial employment, 14 per cent.

Although 261 of the 707 individual manufacturing concerns reporting to this Bureau reported employment increases in October from September and 64 reported no further decline during October, only 1 of the major manufacturing groups of industries—the metal products group —showed an increase in employment, and only 1—the chemicals group—no further change in October from September. In all the other major manufacturing groups, employment declined, the declines ranging from 1 per cent in the stone, clay and glass, the vehicles, and the paper and printing groups, to 14 per cent in the foods products group, and amounting to 2 per cent in the lumber products and the rubber products groups, 3 per cent in the miscellaneous manufacturing group, and 4 per cent in the machinery and textile products group. Except in the rubber products and the vehicles groups of industries, the October decline was either greater than the average decline for October during the past 5-year period or in contrast with an average October increase of from 1 to 4 per cent.

In the manufacturing industries, the October gains were confined to the 2 per cent increase in the metal industries as compared with an average decline of 1 per cent, to the less-than-average decline in the rubber products and the vehicles industries, and to the relative stability in the chemicals group as compared with an average October decline of 4 per cent.

As compared with October, 1930, total employment in Ohio in October declined 14 per cent; manufacturing em-

ployment, 13 per cent; non-manufacturing employment, 15 per cent; and construction employment, 34 per cent. For the first 10 months of 1931, as compared with the same period of last year, total employment declined 17 per cent; manufacturing employment, 16 per cent; non-manufacturing employment, 16 per cent; and construction employment, 35 per cent.

TABLE I

EMPLOYMENT IN OHIO INDUSTRIES
OCTOBER, 1931

Average Month 1926 = 100
Source: Individual Reports of Cooperators

Industry	Index Oct., 1931	Ch'ge Oct., 1931 from Sept., 1931	Aver. Ch'ge Oct., from Sept., 1926-30	Change Otc., 1931 from Oct., 1930	Average Jan.-Oct. Change from 1930
		%	%	%	%
Total Manufacturing (707)*	74	— 2	— 1	—13	—16
CHEMICALS (27)	94	0	— 4	— 6	— 7
FOOD PRODUCTS (57)	120	—14	— 5	— 5	— 4
Bakery (16)	116	+ 3	0	+ 4	— 1
Miscellaneous (41)	121	—12	— 7	— 8	— 5
LUMBER PRODUCTS (30)	65	— 2	+ 4	—16	—21
Furniture (17)	75	+ 1	+ 6	— 8	—15
Miscellaneous (13)	55	— 7	+ 2	—27	—25
MACHINERY (120)	79	— 4	+ 1	—13	—16
Electrical Mach., Apparatus and Supplies (30)	113	— 4	+ 1	+ 6	— 2
Machine Tools (20)	54	+ 3	0	—33	—34
Material Handling and Power Machinery (20)	59	— 8	— 1	—23	—23
Special Purpose Machinery and Appliances (50)	70	— 3	+ 1	—21	—21
METAL PRODUCTS (174)	66	+ 2	— 1	—15	—19
Foundry Products and Drop Forgings (42)	58	— 4	— 2	—23	—26
Pipe, Pumps, Valves, Plumbers' Supplies (21)	65	+ 1	0	—15	—14
Screw Machine Products and Hardware (23)	58	— 4	— 1	—12	—26
Sheet Metal Work (22)	82	— 2	— 1	—23	—18
Steel Works and Rolling Mills (14)	59	+ 8	— 1	—17	—21
Stoves and Furnaces (13)	97	+ 2	+ 5	+ 4	— 8
Miscellaneous (39)	77	— 1	+ 1	— 2	— 8
PAPER AND PRINTING (54)	100	— 1	+ 1	— 3	— 5
Paper, Including Stationary (12)	102	0	— 1	— 7	— 8
Printing and Pub. (30)	104	0	+ 1	— 3	— 6
Miscellaneous (12)	90	— 3	+ 1	+ 2	— 2
RUBBER PRODUCTS (23)	65	— 2	— 3	—14	—23
Tires and Tubes (12)	65	— 1	— 3	—13	—23
Miscellaneous (11)	72	— 5	0	—21	—19
STONE, CLAY AND GLASS PRODUCTS (69)	72	— 1	0	—13	—11
Brick and Tile (29)	53	+ 2	— 2	—22	—20
Glass (13)	116	— 8	+ 2	0	+ 5
Vitreous and Semi-Vitreous China and Pottery (13)	60	— 1	+ 1	—10	—10
Miscellaneous (14)	67	+11	0	—17	—17
TEXTILES (46)	87	— 4	+ 2	— 9	—11
Men's Clothing (18)	103	— 1	+ 2	— 3	— 6
Miscellaneous (28)	75	— 7	+ 2	—14	—15
VEHICLES (63)	70	— 1	— 5	—20	—19
Autos and Parts (50)	74	— 1	— 5	—16	—16
Cars, Steam and Street Railway (5)	30	+ 4	— 1	—56	—51
Miscellaneous (8)	59	— 5	+ 2	—32	—24
MISCELLANEOUS MANUFACTURING (44)	97	— 3	0	— 5	— 6
Non-Manufacturing (91)	82	— 2	+ 1	—15	—16
SERVICE (41)	105	0	— 1	— 9	— 6
TRADE (Ret. & Whse.) (35)	85	— 2	+ 4	— 8	—10
TRANSPORTATION AND PUB. UTILITIES (15)	85	— 3	0	—15	—14
Construction (179)	54	— 7	— 5	—34	—35
BRICK, STONE AND CEMENT WORK (12)	37	— 1	— 1	—45	—15
GEN. CONTRACTING (110)	44	— 7	— 4	—41	—41
PLUMBING AND STEAM FITTING (13)	84	— 7	+ 3	—33	—25
STREET, ROAD AND SEWER WORK (21)	140	— 8	—11	0	—29
MISCELLANEOUS (23)	95	— 6	— 1	—25	—19
All Industries (977)	76	— 2	— 1	—14	—17

* Figures in parenthesis indicate number of reporting firms.

Ohio Bank Debits

Although bank debits in Ohio increased 2 per cent in October from September, the increase was considerably less than the 5-year average October increase of 6 per cent (Table VIII). The total volume of bank debits in October was 24 per cent less than in October, 1930, and, for the 10 months ending October, was 17 per cent less than for the corresponding period of 1930 (Table IX). Bank debits in the United States outside of New York City declined 22 per cent from October, 1930, and 21 per cent for the 10 months ending October, 1931, as compared with the corresponding period of 1930.

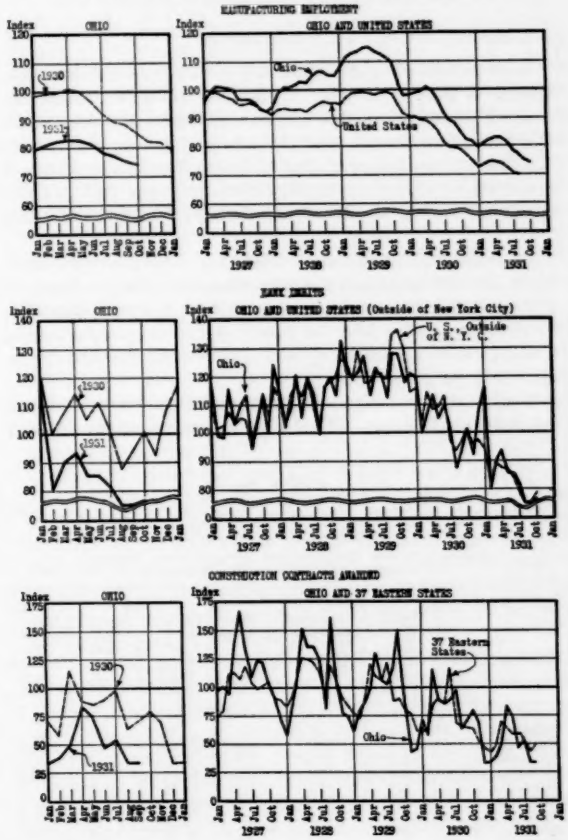
Ohio Construction Contracts Awarded

The low state of activity which prevailed in the construction industry in Ohio throughout August and September was unchanged in October. The October total value of contracts awarded, although showing no further decline from September, was 53 per cent less than in October, 1930, when the construction industry was already in a depressed condition. Reflecting the low state of construction activity, construction employment in October declined more than seasonally and was 34 per cent less than in October of last year.

CHART I

BUSINESS CONDITIONS IN OHIO

In Each Series Average Month 1926 Equals 100
Sources: Bureau of Business Research, U. S. Department of Labor, Federal Reserve Board, and F. W. Dodge Corporation



The Hotel Business in Ohio

The percentage of rooms occupied in Ohio hotels declined from 55.8 per cent in September to 53.8 per cent in October. The average rate per room in October was 5.4 per cent less than in September and 14.1 per cent less than in October, 1930. The average rate per room for the 10 months ending October, 1931, was 6.9 per cent less than for the corresponding period of 1930.

The decline in room occupancy, combined with the decline in the average rate per room, resulted in room receipts in October falling 6.2 per cent from September and 31.6 per cent from October, 1930. Food receipts in October increased 5.1 per cent from September, but were 34.3 per cent less than in October of last year. For the 10 months ending October, room receipts declined 19.9 per cent from the corresponding period of last year, and food receipts, 26.5 per cent.

TABLE II

INDICES OF BUSINESS OF OHIO HOTELS

Average Month 1929 Equals 100
Source: Individual Reports

Item	Sept., 1931*	Oct. 1931	Change Oct., 1931 from Sept., 1931	Change Oct., 1931 from Oct., 1930	Average Jan.-Oct. Change from 1930
Per Cent of Rooms Occupied	55.8	53.8	% —	% —	% —
Av. Rate Per Room	$3.09	$2.92	— 5.4	—14.1	— 6.9
	Index	Index			
Room Receipts	77.4	72.6	— 6.2	—31.6	—19.9
Food Receipts	56.5	59.4	+ 5.1	—34.3	—26.5

* Revised figures.

Automobile Bill-of-Sale Registrations

New passenger automobile bill-of-sale registrations continued to decline in Ohio in October when the total volume of registrations fell 18 per cent below the volume for the preceding month, and 24 per cent below the volume for the corresponding month of 1930. The total number of truck registrations, however, increased 7 per cent in October from September, but declined 8 per cent from October, 1930.

In the 8 chief counties of Ohio, the bill-of-sale registrations of new passenger automobiles in October were 19 per cent less than in September and 19 per cent less than in October, 1930, while the total for the 10 months ending October was 27 per cent behind the total for the corresponding period of 1930.

For the fifth month in succession, the Chevrolet outranked the Ford in bill-of-sale registrations in these 8 Ohio counties, with 22.2 per cent of the total registrations in October. The Ford ranked second as to bill-of-sale registrations, with 19.7 per cent of the total registrations, while the Plymouth ranked third, with 11.7 per cent of the total, and the Willys, fourth, with 9.4 per cent of the total. As compared with September, October registrations of the Chevrolet declined 20 per cent; of the Ford, 22 per cent; and of the Plymouth, 56 per cent. As compared with October, 1930, however, Chevrolet registrations increased 17 per cent, and Plymouth registrations, 155 per cent, while Ford registrations declined 57 per cent.

TABLE III

TOTAL BILL OF SALE REGISTRATIONS OF FIFTEEN LEADING MAKES OF NEW PASSENGER AUTOMOBILES IN EIGHT OHIO COUNTIES*

Source: Actual Registrations Secured from National Automobile Dealers' Association

Make of Car	Oct. 1931 Per Cent of Total	Number of Cars		Change Oct. 1931 from Sept. 1931	Change Oct. 1931 from Oct. 1930	Total Jan.-Oct. 1931 Change from 1930
		Sept. 1931	Oct. 1931			
				%	%	%
Chevrolet	22.2	936	753	— 20	+ 17	+ 1
Ford	19.7	855	669	— 22	— 57	— 53
Plymouth	11.7	900	398	— 56	+155	+ 64
Willys	9.4	69	319	+362	**	+229
DeSoto	3.7	93	126	+ 35	+ 70	— 1
Studebaker	3.6	106	121	+ 14	+ 20	— 4
Pontiac	3.2	133	109	— 18	+ 7	— 8
Essex	3.0	68	101	+ 49	— 14	— 28
Buick	2.7	113	93	— 18	— 68	— 29
Chrysler	2.7	154	91	— 41	— 24	— 3
Packard	2.1	69	70	+ 1	— 45	— 44
Nash	1.8	90	62	— 31	— 44	— 15
Dodge	1.6	81	56	— 31	— 38	— 18
Graham	1.6	82	54	— 34	— 18	— 37
Hupmobile	1.6	59	53	— 10	+ 29	— 27
Group Total	90.6	3,808	3,075	— 19	—	—
All Others	9.4	400	319	— 20	—	—
Grand Total	100.0	4,208	3,394	— 19	— 19	— 27

* Cuyahoga, Franklin, Hamilton, Lucas, Mahoning, Montgomery, Stark, and Summit.
** Over 1,000 per cent increase.

TABLE IV

REGISTRATIONS OF NEW AUTOMOBILE BILLS OF SALE IN OHIO COUNTIES, OCTOBER, 1931

(The Counties Listed Represent Over 80 Per Cent of the Population of Ohio)

Source: Clerks of Courts of Listed Counties

County	Passenger Cars			Trucks		
	No.	Change from Sept., 1931	Change from Oct., 1930	No.	Change from Sept., 1931	Change from Oct., 1930
		%	%		%	%
Adams	9	— 25	— 25	3	— 25	— 63
Ashtabula	62	— 23	— 43	15	— 32	— 25
Athens	42	— 2	— 25	13	+ 8	+ 8
Belmont	73	— 4	— 10	13	0	+ 44
Brown	7	— 36	— 46	3	+ 50	— 50
Butler	105	+ 6	+ 8	21	+ 11	+ 31
Carroll	12	+ 9	— 29	3	0	0
Champaign	26	— 19	—	4	+ 33	—
Columbiana	58	— 8	— 44	18	+ 20	— 22
Cuyahoga	1,257	— 27	— 20	206	— 6	— 24
Darke	34	— 15	+ 6	15	— 6	+114
Fairfield	49	— 11	+ 53	12	+ 71	— 8
Fayette	7	— 30	— 70	3	0	— 50
Franklin	453	+ 5	— 2	84	— 9	— 1
Fulton	19	— 24	— 65	5	0	— 44
Gallia	23	— 28	+ 10	5	— 17	— 55
Geauga	14	+ 8	— 7	0	—	—
Guernsey	33	— 31	— 38	2	— 60	— 60
Hamilton	810	— 12	+ 1	308	+115	+ 69
Hancock	29	— 6	— 40	7	0	+250
Henry	25	+ 47	— 14	5	+150	— 29
Highland	24	0	+ 20	6	+ 50	— 25
Hocking	11	— 8	— 27	4	+300	—
Huron	19	— 32	— 54	8	— 11	— 38
Jackson	28	— 18	— 20	10	+100	— 29
Jefferson	39	— 46	— 43	14	— 22	— 36
Knox	13	— 48	— 75	3	—	— 77
Lake	58	— 37	— 38	15	— 32	— 32
Lawrence	33	— 1	— 3	4	+ 33	— 67
Licking	41	— 23	— 40	7	— 46	— 63
Logan	17	— 43	—	12	+ 33	—
Lorain	101	— 6	— 37	17	+ 21	— 32
Lucas	180	+ 7	— 44	42	+ 27	— 51
Madison	25	+ 4	—	2	+100	—
Mahoning	93	— 43	— 58	20	— 17	— 55
Marion	28	— 26	—	4	— 33	—
Medina	36	+ 20	+ 3	12	+ 9	+ 20
Meigs	19	— 5	— 27	10	— 9	+150
Miami	53	— 10	— 31	10	— 68	+ 43
Montgomery	229	— 29	— 14	56	+ 22	— 7
Morgan	9	— 31	— 31	0	—	—
Morrow	7	0	— 36	0	—	—
Muskingum	56	— 7	— 23	8	— 11	— 20
Ottawa	16	— 54	— 58	3	—	— 25
Paulding	9	— 44	— 40	3	— 40	+ 50
Perry	33	— 6	— 3	11	— 21	+ 83
Portage	46	— 4	—	6	— 84	—
Ross	39	+ 11	— 17	3	— 63	— 73
Scioto	30	— 27	— 57	13	— 24	— 13
Seneca	24	— 45	— 48	3	— 57	— 63
Shelby	16	— 6	—	3	+ 50	—
Stark	117	— 14	— 47	31	+ 24	—
Summit	255	— 27	— 25	—	—	—
Trumbull	61	— 26	— 54	13	— 43	0
Union	10	— 17	— 64	2	—	+100
Warren	23	+ 15	+ 10	1	0	— 67
Washington	51	— 23	— 14	18	+ 80	+ 50
Williams	13	— 28	— 71	1	— 86	0
Wood	30	— 14	—	—	—	—
Wyandot	11	+ 22	— 45	2	— 71	— 71
Actual Total	5,050	— 18	— 24	1,122	+ 7	— 8

Agricultural Income in Ohio

The gross cash agricultural income from 6 important sources in Ohio was 2 per cent less in October than in September, and 35 per cent less than in October, 1930, while the cash income for the 10 months ending October was 29 per cent less than in the corresponding period of

1930. Declines in income from dairy products, grains, potatoes, and wool, contributed to the October decline, the income from meat animals, poultry, and eggs having increased somewhat from September. The decline from October, 1930, amounted to 13 per cent in the poultry and eggs group, 20 per cent in the grains group, 29 per cent in the wool group, 28 per cent in the dairy products group, 36 per cent in the potatoes group, and 48 per cent in the meat animals group.

TABLE V
GROSS CASH AGRICULTURAL INCOME IN OHIO, OCTOBER, 1931
(Average of the 60 Months 1924-1928 Equals 100)
Source: Department of Rural Economics, Ohio Agricultural Experiment Station

Commodity	Index* Oct., 1931	Change Oct., 1931 from Sept., 1931	Change Oct., 1931 from Oct., 1930	Average Jan.-Oct., 1931 Change from 1930
		%	%	%
Meat Animals	51	+ 9	— 48	— 31
Dairy Products	62	— 7	— 28	— 26
Grains	28	— 26	— 20	— 43
Poultry and Eggs	75	+ 17	— 13	— 24
Potatoes	176	— 16	— 36	— 27
Wool	5	— 55	— 29	— 28
Tobacco	—	—	—	—
TOTAL	54	— 2	— 35	— 29

* Preliminary estimate and subject to later revision.

Industrial Consumption of Electric Power

The 3 per cent increase in industrial consumption of electric power in Ohio in September from August was considerably less than the 5-year average September increase of 8 per cent, while the September consumption of power was 5 per cent less than in September of last year. Akron, Dayton, Toledo, and Youngstown all reported declines in industrial consumption of electric power in September from August, the declines being in contrast with seasonal increases for all the cities except Dayton, where the decline, however, was considerably greater than the usual seasonal decline. As compared with September of last year, there was an increase in electric power consumption in Dayton, but a decline in the other 3 cities.

TABLE VI
INDUSTRIAL CONSUMPTION OF ELECTRIC POWER IN OHIO
Average Month 1926 Equals 100
Source: Local Power Companies

City	Index Sept., 1931	Change Sept., 1931 from Aug., 1931	Average Change Sept. from Aug. 1926-1930	Change Sept., 1931 from Sept., 1930	Average Jan.-Sept., 1931 Change from 1930
		%	%	%	%
Akron	65	— 3	+ 6	—11	—20
Dayton	114	— 8	— 3	+ 2	+ 2
Toledo	115	— 7	+ 1	— 7	— 4
Youngstown	91	— 8	+ 6	— 6	—10
STATE*	114	+ 3	+ 8	— 5	— 6

* Total power production from U. S. Geological Survey.

Building Vacancies in Four Ohio Cities

Building vacancies declined in September from August in Akron, Cleveland, Columbus, and Youngstown, the declines amounting to 1 per cent in Columbus, 14 per cent in Cleveland, 25 per cent in Akron, and 28 per cent in Youngstown. In all of these cities except Cleveland, the September decline was either greater than the usual September decline or in contrast with a September increase. As compared with September 1930, building vacancies in September declined 2 per cent in Cleveland, 7 per cent in Youngstown, 9 per cent in Columbus, and 24 per cent in Akron. For the 9 months ending September, as compared with the corresponding period of 1930, building vacancies declined 20 per cent in Akron and 6 per cent in Youngstown, but increased 2 per cent in Cleveland and 6 per cent in Columbus.

TABLE VII
BUILDING VACANCY IN FOUR OHIO CITIES
(As indicated by percentage of gas meters vacant)
Average Month 1926 Equals 100
Source: Local Gas Companies

City	Index Sept., 1931	Change Sept., 1931 from Aug., 1931	Average Change Sept. from Aug. 1926-1930	Change Sept., 1931 from Sept., 1930	Average Jan.-Sept., 1931 Change from 1930
		%	%	%	%
Akron	95	—25	— 9	—24	—20
Cleveland	76	—14	—21	— 2	+ 2
Columbus	146	— 1	+ 1	— 9	+ 6
Youngstown	41	—28	—27	— 7	— 6

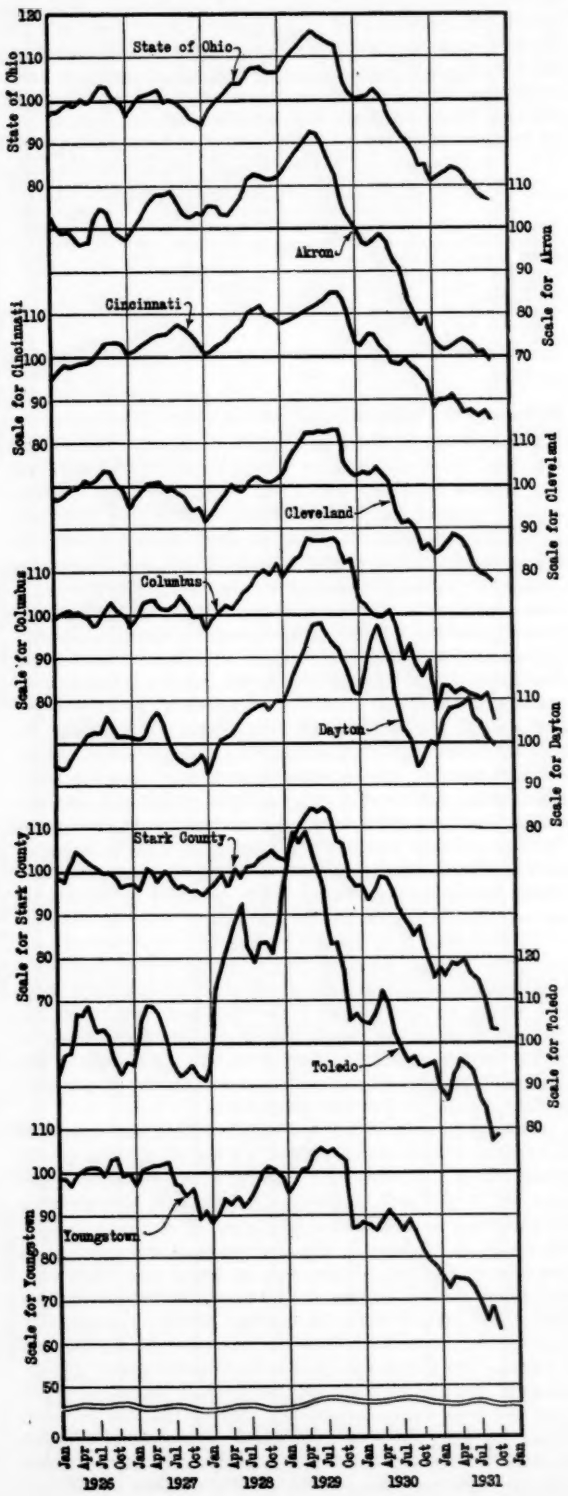
Summary of Business Conditions in Ohio Cities

Employment declined in October from September in all the chief cities of the State except Toledo, which reported an increase of 2 per cent from September, and Canton, which reported no further change from the previous month. The declines in the other chief cities ranged from 2 per cent in Akron, Cincinnati, Cleveland, and Dayton, to 7 per cent in Columbus and 8 per cent in Youngstown. In both Dayton and Akron, the 2 per cent decline in October from September was no greater than the average October decline, indicating at least seasonal stability in these cities. The 2 per cent decline in Cincinnati, however, was in contrast with the usual condition of stability, and the 2 per cent decline in Cleveland, with an average October decline of only 1 per cent. In Columbus the 7 per cent decline from September was substantially greater than the average October decline of only 1 per cent, while the 8 per cent decline in Youngstown was in contrast with the usual October stability that has prevailed during the past 5-year period. The October employment gains, as far as the cities of the State are concerned, can be summed up in the no-more-than-average decline in Akron and Dayton, the lack of further decline in Stark County, and the 2 per cent increase in Toledo. As compared with October of last year, employment declined in all of the chief cities except Dayton, where an increase of 6 per cent was recorded. The declines in the other chief cities of the State amounted to 12 per cent in Cincinnati, 13 per cent in Cleveland, 14 per cent in Columbus, 23 per cent in Youngstown, 28 per cent in Canton, and 14 per cent in Akron.

Passenger automobile bill-of-sale registrations were less in October than in September in all the chief cities of the State except Columbus and Toledo, where gains of 5 per cent and 7 per cent, respectively, occurred. The October decline from September ranged from 12 per cent in Cincinnati to 43 per cent in Youngstown, and amounted to 14 per cent in Canton, 27 per cent in Akron and Cleveland, and 29 per cent in Dayton. In all cases, the October decline was either greater than the average October decline,or in contrast with an average increase in October during the past 5 years. The October increases in Columbus and Toledo, however, were in contrast with an average decline of 5 per cent and 8 per cent, respectively, during the past 5 years, indicating real gains in automobile registrations in these 2 cities in October. Cincinnati was the only city in which October registrations exceeded those of October a year ago.

CHART II

INDUSTRIAL EMPLOYMENT IN OHIO AND OHIO CITIES
Average Month 1926 Equals 100



The value of construction contracts awarded was greater in October than in September in Akron, Columbus, Dayton, and Toledo, but declined from September in Canton, Cincinnati, Cleveland, and Youngstown. The October increases from September were greater in all cases than the usual seasonal increase, or in contrast with the usual seasonal decline. As compared with October, 1930, all of the cities reported declines in contracts awarded except Dayton, which reported a sizable increase.

TABLE VIII

SUMMARY OF BUSINESS CONDITIONS IN OHIO CITIES
OCTOBER, 1931

City	Change Oct., 1931 from Sept., 1931	Average Change Oct., from Sept., 1926-30	Change Oct., 1931 from Oct., 1930	Change Oct., 1931 from Sept., 1931	Average Change Oct., from Sept., 1926-30	Change Oct., 1931 from Oct., 1930
	INDUSTRIAL EMPLOYMENT			MANUFACTURING EMPLOYMENT		
	%	%	%	%	%	%
Akron	— 2	— 2	— 14	— 2	— 2	— 14
Canton	0	0	— 28	+ 2	0	— 26
Cincinnati	— 2	0	— 12	— 3	0	— 11
Cleveland	— 2	— 1	— 13	— 2	— 2	— 14
Columbus	— 7	— 1	— 14	— 8	— 1	— 11
Dayton	— 2	— 2	+ 6	— 2	— 1	+ 8
Toledo	+ 2	— 3	— 16	+ 3	— 4	— 12
Youngstown	— 8	0	— 23	— 7	0	— 20
Other than 8 Cities	0	— 2	— 14	0	— 1	— 14
STATE	— 2	— 1	— 14	— 2	— 1	— 13
City	CONSTRUCTION EMPLOYMENT			PASSENGER AUTOMOBILE BILLS-OF-SALE FILED		
Akron	—10	— 6	+ 16	— 27	— 17	— 25
Canton	—24	— 6	— 57	— 14	— 8	— 47
Cincinnati	— 1	— 5	— 47	— 12	— 8	+ 1
Cleveland	— 4	0	— 18	— 27	— 14	— 20
Columbus	— 2	— 7	— 26	+ 5	— 5	— 2
Dayton	— 2	— 3	— 22	— 29	— 7	— 14
Toledo	— 5	+ 5	— 73	+ 7	— 8	— 44
Youngstown	—34	— 7	— 73	— 43	+ 1	— 58
Other than 8 Cities	— 6	— 9	— 15	— 16	— 12	— 32
STATE	— 7	— 5	— 34	— 18	— 11	— 24
City	BANK DEBITS			VALUE OF CONSTRUCTION CONTRACTS AWARDED*		
				**	**	***
Akron	+11	— 4	— 3	+ 35	+ 30	— 43
Canton	— 3	—11	— 19	— 57	—	— 71
Cincinnati	+ 1	+ 8	— 13	— 27	+ 24	— 44
Cleveland	+ 5	+11	— 22	— 18	— 15	— 52
Columbus	+ 3	+ 6	— 33	+ 72	+ 14	— 82
Dayton	— 3	+ 1	— 21	+153	+ 12	+321
Toledo	— 3	+ 6	— 53	+ 62	— 5	— 87
Youngstown	—25	0	— 44	— 25	— 39	— 27
Other than 8 Cities	+ 2	— 4	— 16	— 7	+ 17	— 38
STATE	+ 2	+ 6	— 24	0	+ 14	— 53

* From F. W. Dodge Corporation.
** Change September, 1931, from August, 1931.
*** Change September, 1931, from September, 1930.

Bank debits increased in October from September in Akron, Cincinnati, Cleveland, and Columbus, but the increase, except in the case of Akron, was less than the 5-year average October increase, indicating a seasonal decline in these 3 cities. October bank debits declined from September in Canton, Dayton, Toledo, and Youngstown, the declines in these cities being in all cases greater than the usual October decline or in contrast with an increase for October. As compared with October, 1930, bank debits in October declined 3 per cent in Akron, 13 per cent in Cincinnati, 19 per cent in Canton, 21 per cent in Dayton, 22 per cent in Cleveland, 33 per cent in Columbus, 44 per cent in Youngstown, and 53 per cent in Toledo.

THE TREND OF BUSINESS

Banking and Credit Conditions

Interest rates advanced sharply throughout October, due chiefly to the heavy withdrawals of gold by foreign depositors, primarily through earmarking for foreign accounts, and to the domestic tendency to hoard currency. The rise by the end of October had carried call money to 2.5 per cent from 1.5 per cent at the end of September, time money to 4 per cent from 2.5 per cent, commercial paper to 4 per cent from 2.25 per cent, and acceptances to 3.75 per cent from 1.25 per cent. By November 7, the commercial paper rate had advanced to 4.25 per cent. On November 7, the call money rate had advanced 67 per cent from the corresponding date in September; the commercial paper rate, 100 per cent; the time money rate, 50 per cent; and the New York Federal Reserve rediscount rate, 133 per cent. The rise in October rates was in all cases contrary to the usual seasonal movement, as indicated by the average October change during the past 5 years, and the rates as of November 7 were in all cases more than 25 per cent higher than on the corresponding date of 1930.

The expansion of Federal Reserve Bank credit continued in October though at a less rapid rate than in September, continuing to reflect the loss of gold from foreign accounts during October and the continued hoarding of currency in the United States rather than any change in the policy of the banks. Notwithstanding the increase in rediscount and acceptance rates, holdings of both rediscounts and of bills bought in the open market continued to increase in October, and on November 4, bill holdings had increased 10 per cent from the corresponding date of September, and member bank rediscounts, 52 per cent. Holdings of United States Government securities, however, declined by 1 per cent, but were 21 per cent greater than on the corresponding date of 1930. Bills bought in the open market on November 4 had increased 246 per cent from the corresponding date of last year, and holdings of member bank rediscounts, 231 per cent. The reserve-bank holdings of bankers' acceptances at the end of the first week in November were higher than at any time since 1920, and the combined open market holdings (government securities plus acceptances) as of October 28, amounted to almost one and one-half billion dollars.

The investment holdings of reporting member banks, although slightly less on October 28 than on the corresponding date of the previous month, were still near the highest total on record. The liquidation of loans of all classes is reflected in the statistics for October, loans on securities having declined 7 per cent on October 28 from the corresponding period of September, and "all other loans," 3 per cent. The seasonally adjusted average of "all other loans" of the reporting member banks for October reached the lowest point since January, 1923, while the seasonally adjusted average on securities dropped to the lowest point since May, 1927. The October decline in bank loans on securities was accompanied by a further sharp decline in brokers' loans, the amount of such loans on November 4 having declined 15 per cent from the corresponding date in September.

The deposits of reporting member banks showed further sharp declines in October; demand deposits on October 28 having declined 3 per cent from the corresponding date of September; time deposits, 7 per cent; and Government deposits, 60 per cent. Time deposits at the October level reached the lowest level since April, 1927, and demand deposits, the lowest level since the summer of 1924. The total volume of money in circulation on November 4 amounted to $5,543,000,000, an increase of 2 per cent from the corresponding date in September, and of 23 per cent from the corresponding date of 1930.

TABLE IX
BANKING CONDITIONS
(All Dollar Values in Millions of Dollars)
Sources: Federal Reserve Board and Journal of Commerce

Item	Latest Data	Change from Corresponding Period of Previous Month	Av. Change from Corresponding Period of Previous Month 1926-30	Change from Corresponding Period of Previous Year	Year to Date Change from Corresponding Period of Previous Year
INDEX OF BANK DEBITS*, October, 1931:		%	%	%	%
Ohio	77	+ 2	+ 6	— 24	— 17
United States outside of New York City	79	+ 5	+ 6	— 22	— 21
New York City	72	— 1	+ 7	— 32	— 31
INTEREST RATES, November 7, 1931:					
Call Money	2.50%	+67	— 3	+ 25	— 49
Commercial Paper (60-90 days)	4.25%	+100	— 1	+ 48	— 36
Time Money (4-6 months)	3.75%	+ 50	— 5	+ 58	— 18
New York Federal Reserve Rediscount Rate	3.50%	+133	0	+ 40	— 42
FEDERAL RESERVE BANK ITEMS— November 4, 1931:					
Investment in U. S. Securities	$727.6	— 1	+ 1	+ 21	+ 20
Bills Bought in Open Market	642.0	+ 10	+17	+246	+ 8
Member Banks Rediscounts	705.2	+ 52	+ 4	+231	— 4
Reserve Ratio	61.5%	— 8	— 1	— 25	— 2
LOANS TO BROKERS, November 4, 1931:					
(New York City)	$ 849	— 15	— 7	— 65	— 56
REPORTING MEMBER BANK ITEMS— October 28, 1931:					
Loans on Securities	5,897	— 7	—	— 27	— 17
Loans, All Others	7,624	— 3	—	— 12	— 8
Investments, U. S. Gov't and Securities	4,133	— 2	—	+ 36	+ 36
Investments, All Others	3,567	— 2	—	— 3	+ 18
Reserve with Federal Reserve Banks	1,714	— 1	—	— 9	+ 2
Cash in Vault	264	+ 2	—	+ 22	+ 6
Net Demand Deposits	12,449	— 3	—	— 10	0
Time Deposits	6,358	— 7	—	— 16	— 2
Government Deposits	161	— 60	—	+ 42	+ 82
Money in Circulation, November 4, 1931	5,543	+ 2	—	+ 23	+ 8

*Average month 1926 = 100.

Construction Contracts Awarded

Although the volume of construction contracts awarded in September increased more than seasonally from August, the total volume of construction was very low. The September increase was halted, however, in October, when the total volume of construction declined 7 per cent from September and 28 per cent from October, 1930. The 7 per cent decline in October, however, was slightly less than the average October decline of 8 per cent during the past 5-year period. The October decline was characteristic of all types of construction except residential and commercial construction, and ranged from 7 per cent in public works and utilities construction to 34 per cent in miscellaneous non-residential construction. The 7 per cent gain in residential construction in October from September com-

pared favorably with the 5-year average October gain of only 4 per cent, and the 34 per cent gain in commercial building, with the 5-year average decline of 4 per cent in October. The October gain in commercial building carried the total value of this type of building 17 per cent above the value in the corresponding month of last year. In all other types of building, the value of the October total declined substantially from October, 1930. Although the largest percentage declines in October occurred in educational and factories building, the most significant decline in dollars occurred in public works and utilities construction.

The October decline in the value of construction contracts awarded was experienced in all but 3 of the 14 districts shown in Table X, and ranged from 5 per cent in the New Orleans Territory to 50 per cent in the Up-State New York District, amounting to 17 per cent in the Texas District, 32 per cent in the Southeastern Territory, 37 per cent in the Southern Michigan District, 38 per cent in the Pittsburgh District and the Central Northwestern Territory, 40 per cent in the St. Louis Territory, 45 per cent in the Kansas City Territory, and 47 per cent in the Chicago Territory. The October increases from September amounted to 6 per cent in the New England Territory, 28 per cent in Metropolitan New York and Vicinity, and 48 per cent in the Middle Atlantic District. In these 3 districts the increases were either greater than the average October increase or in contrast with substantial October declines. In only 2 districts—the Metropolitan New York and the Middle Atlantic—was the October total greater than in October of last year, and in only 1 district—the New Orleans Territory—was the total for the 10 months ending October of this year greater than for the corresponding period of 1930.

TABLE X

DAILY AVERAGE VALUE OF CONSTRUCTION CONTRACTS AWARDED IN 37 EASTERN STATES BY TYPES AND BY DISTRICTS

(In Hundreds)

Source: F. W. Dodge Corporation

Type and District	Oct., 1931	Change Oct., 1931 from Sept., 1931	Aver'ge Change Oct., from Sept., 1926-30	Change Oct., 1931 from Oct., 1930	Total Jan.-Oct., 1931 Change from 1930
TOTAL CONSTRUCTION: ...	$ 93,113	% — 7	% — 8	% — 28	% — 30
By Types					
Total Building.....	61,397	— 8	— 8	— 29	— 31
Residential.....	23,285	+ 7	+ 4	— 42	— 23
Non-Residential.....	38,112	— 14	— 14	— 17	— 36
Commercial.....	16,072	+ 34	— 4	+ 17	— 49
Educational.....	5,638	— 33	— 11	— 49	— 35
Factories.....	3,404	— 22	— 20	— 36	— 53
Miscellaneous.....	12,998	— 34	— 10	— 18	— 11
Public Works and Util..	31,716	— 7	— 4	— 27	— 29
By Districts					
New England.....	9,755	+ 6	— 23	— 15	— 14
Metropolitan New York and Vicinity.....	34,430	+ 28	+ 9	+ 12	— 20
Upstate New York.....	4,073	— 50	— 22	— 21	— 8
Middle Atlantic.....	16,330	+ 48	— 6	+ 31	— 32
Pittsburgh.....	5,653	— 38	— 13	— 69	— 45
Chicago Territory.....	6,012	— 47	— 4	— 53	— 36
Southern Michigan.....	1,466	— 37	— 19	— 66	— 49
Central Northwest.....	2,007	— 38	— 10	— 3	— 7
St. Louis Territory.....	2,098	— 40	+ 8	— 82	— 52
Kansas City Territory..	2,073	— 45	+ 14	— 76	— 50
Texas.....	2,606	— 17	— 15	— 28	— 14
New Orleans Territory.	2,531	— 5	— 16	0	+ 44
Southeastern Territory.	4,079	— 32	— 9	— 28	— 46

The Stock Market

The October rise in stock prices retrieved almost 40 per cent of the loss experienced since the moratorium top on June 27. The weakness that developed during the last week of October was overcome during the first week of November when much of the ground lost during the last-of-October decline was recovered. The November advance has been interrupted by several reactions, however, and the volume of trading has been small. On November 4, the index of 404 stocks had gained 7.1 points from September 30; the index of 337 industrials, 8.1 points; and the index of 34 utilities, 11.1 points. The rails alone failed to gain ground in October, the index of 33 rails having declined 1.9 points.

TABLE XI

INDEXES OF COMMON STOCK PRICES

Source: Standard Statistics Company

Group	Nov. 4, 1931	Change in Points from Sept. 30, 1931	1931 Range	
			High	Low
404 Stocks Combined	74.1	+ 7.1	124.6	67.0
337 Industrials	69.7	+ 8.1	114.7	61.6
33 Rails	48.6	— 1.9	105.7	46.2
34 Utilities	117.9	+ 11.1	192.4	106.8

Iron and Steel

Although the indications of improvement in basic conditions in the steel market failed to be translated into increased production and sales in October, the first week in November recorded steel operations for the country at 30 per cent of capacity as compared with 29 per cent and 28 per cent for the last two weeks respectively in October. Aside from this slight increase in operations, the basis for the present optimism in the industry is found largely in the slowing down of the decline in output rather than to any positive upward trend, and in the rather definite prospect for a larger demand from the automobile field, and the hope of an increased demand from the farm implement, construction, and railroad fields.

Not only did the hoped-for increase in production and demand fail to appear in October, but both production and demand experienced sharp recessions. The average daily rate of pig iron production in Ohio declined 7 per cent in October from September as compared with a 5-year average October decline of only 1 per cent, and the average daily rate in the United States declined 3 per cent, although for the country as a whole October has shown substantially no change from September during the past 5-

TABLE XII

IRON AND STEEL CONDITIONS

Sources: *Steel*
Iron Age

Item	Oct., 1931	Change Oct., 1931 from Sept., 1931	Average Change Oct., from Sept., 1926-30	Change Oct., 1931 from Oct., 1930	Average Jan.-Oct., 1931 Change from 1930
PRICES:		%	%	%	%
Pig Iron (per ton)..	$ 15.21	— 1	0	— 7	— 10
Finished Steel (per lb.)	.02116	0	0	— 1	— 4
Scrap-Heavy Melting Steel (per gross ton)	8.78	— 4	— 5	— 31	— 28
UNFILLED ORDERS, U. S. STEEL CORP.:					
(Tons)	3,119,432	— 1	+ 3	— 10	— 11
OPERATIONS:					
Av. Daily Pig Iron Prod. (tons):					
Ohio	9,766	— 7	— 1	— 32	— 40
United States	37,848	— 3	0	— 46	— 42
Average U. S. Daily Steel Production: (tons)	58,977	— 1	— 1	— 41	— 37

year period. As compared with October of last year, the average daily rate of pig iron production declined 32 per cent in Ohio and 46 per cent in the country as a whole. For the 10 months ending October, as compared with the corresponding period of last year, average daily production declined 40 per cent in Ohio and 42 per cent in the country as a whole. The 1 per cent decline in the average daily rate of steel production in the United States in October from September was no greater than the 5-year average October decline, but the October rate was 41 per cent below that of October, 1930, while the rate for the 10 months ending October averaged 37 per cent lower than in the corresponding period of 1930.

Finished steel prices exhibited a firmer tone in October, remaining substantially unchanged from September, but pig iron and scrap prices continued to decline; the former, slightly more than seasonally; the latter, slightly less. The continued weakness in scrap prices is of especial significance in view of the fact that a firming of scrap prices usually precedes an upturn in iron and steel prices.

The unfilled orders of the United States Steel Corporation continued to decline in October although the records for the past 5 years have shown an average increase of 3 per cent in October. Unfilled orders in October of this year were 10 per cent less than in October, 1930, and, for the 10 months ending October, were 11 per cent below the corresponding period of 1930.

Earnings of Corporations

The earnings of 205 corporations declined 47 per cent during the first 9 months of 1931, as compared with the same period of 1930. The decline in earnings during the 3 quarters of the year was experienced in all but 3 of the 24 groups of concerns shown in Table XIII. Four aviation and 5 coal mining corporations showed a gain from the corresponding period last year, but in each group the gain was due to the earnings of 1 corporation only. The other group to show a gain was the 6 textile corporations. Declines of more than 80 per cent were reported by 5 non-ferrous mining corporations and by the United States Steel Corporation; declines of more than 50 per cent, by 12 automobile corporations, 18 auto accessories corporations, 10 machinery corporations, 4 paper products corporations, and 4 railway equipment corporations.

The net worth of these same corporations increased 1.4 per cent during the first 3 quarters of 1931, as compared with the same period of 1930. An increase in net worth for this period was experienced in 10 of the 24 groups of corporations.

In spite of the 7 per cent decline in net profits for the first 9 months of 1931 from the corresponding period of last year, this group of 205 corporations earned 4.9 per cent on their investment, and only 2 of the groups—the iron and steel and the petroleum—failed to earn some return on the capital invested. The rate of return, although averaging 4.9 per cent for the group, ranged from 0.9 of 1 per cent in 5 non-ferrous mining corporations to 18.3 per cent in 3 printing and publishing corporations, and amounted to 11.4 per cent in 9 baking corporations, 13.4 per cent in the General Motors' Corporation, 13.9 per cent

TABLE XIII
PROFITS OF INDUSTRIAL CORPORATIONS, FIRST NINE MONTHS, 1931
(In Thousands of Dollars)
Source: National City Bank Bulletin

Industry	No. of Firms	Net Profits**—Nine Months		Net Worth***		Annual† Rate of Return—Per Cent	
		1931	Per Cent Change from 1930	January 1, 1931	Per Cent Change from Jan. 1, 1930	1930	1931
Autos—General Motors	1	$ 97,455	— 25.8	$ 966,802	+ 1.3	18.8	13.4
Automobiles—Other	12	9,606	— 58.0	495,025	—10.0	5.5	2.6
Auto Accessories	18	10,517	— 51.2	206,149	— 3.6	13.4	6.8
Aviation	4	3,831	+151.4*	135,244	— 5.8	0.9	3.8
Baking	9	28,590	— 17.1	333,626	0.0	13.8	11.4
Building Materials	6	5,336	— 26.2	110,490	— 7.9	8.0	6.4
Chemicals	12	71,641	— 20.5	1,017,310	+10.7	13.1	9.4
Coal Mining	5	1,130	+ 15.5*	95,305	— 0.7	1.4	1.6
Electrical Equipment	9	30,463	— 46.2	735,898	+ 0.4	10.3	5.5
Food Products—Misc.	16	64,645	— 14.0	618,740	+ 2.8	16.7	13.9
Household Goods	5	5,901	— 23.8	107,143	+ 1.6	9.8	7.3
Iron and Steel—U.S. Steel	1	17,344	— 81.2	2,059,089	+ 7.3	6.4	1.1
Iron and Steel—Other	16	d14,578	—	1,469,880	— 1.0	4.6	—
Machinery	10	5,451	— 65.0	157,915	— 0.9	13.5	4.6
Merchandising	5	7,617	— 9.9	387,759	— 3.4	2.8	2.6
Mining,Non-Ferrous	5	584	— 87.1	89,697	— 0.8	6.7	0.9
Paper Products	4	1,901	— 51.8	69,624	+ 3.8	7.8	3.6
Petroleum	10	d10,468	—	622,091	+ 4.1	5.7	—
Printing and Publishing	3	11,867	— 40.2	86,351	— 0.2	30.6	18.3
Railway Equipment	4	5,585	— 51.9	128,226	+ 4.9	12.6	5.8
Restaurant Chains	4	2,867	— 15.1	52,627	+ 1.5	8.6	7.3
Textiles	6	2,929	+ 28.6	67,480	— 4.1	4.3	5.8
Tobacco (Cigars)	6	3,963	— 30.4	86,254	— 8.8	8.0	6.1
Miscellaneous	34	28,349	— 39.0	486,305	— 7.6	11.8	7.8
Total	205	$392,526	— 47.0	$10,585,030	+ 1.4	9.5	4.9

d Deficit.

* Gain due to one company.

** Net profits are shown after depreciation, interest, taxes, and other charges and reserve, but before dividends.

*** Net worth includes book value of outstanding preferred and common stock and surplus account at beginning of each year.

† In each year, the annual rate of return is obtained by multiplying the 9 months' profits of that year by 4/3 and dividing the result by the net worth on January 1 of that year.

for 16 food products corporations, and 9.4 per cent for 12 chemicals corporations. In 10 other of the 24 groups of corporations, the annual rate of return was greater than 5 per cent, although less than 10 per cent.

Automobile Production

The September output of passenger cars in the United States was 30 per cent less than in August, and 38 per cent less than in September, 1930. Total output of trucks was 1 per cent less than in August, and 29 per cent less than in September of last year. The September decline in passenger-car production was considerably greater than the average September decline of only 12 per cent during the past 5 years, but the 1 per cent decline in truck production was slightly less than the average September decline of 3 per cent. For the 9 months ending September, the total volume of passenger cars produced in the United States declined 28 per cent from the corresponding period of 1930, and the total volume of trucks, 24 per cent. During the last week of October, 11 out of 29 of the chief automobile plants of the country were out of production with the result that the output for the week reached the low level of 10,171 units, including both trucks and passenger cars. This number represented only about 15 per cent of the estimated normal for the period. There is considerable evidence indicating that the larger makers are on the point of producing in larger quantities for the rest of the year.

TABLE XIV

AUTOMOBILE PRODUCTION IN THE UNITED STATES AND CANADA, AND GENERAL MOTORS' SALES

Sources: U. S. Department of Commerce and General Motors Corporation

Group	Sept., 1931	Change Sept., 1931 from Aug., 1931	Average Change Sept., from Aug., 1926-30	Change Sept., 1931 from Sept., 1930	Total Jan.-Sept., 1931 Change from 1930
PASSENGER CAR PRODUCTION:		%	%	%	%
United States	109,087	— 30	— 12	— 38	— 28
Canada	2,108	— 38	— 12	— 63	— 46
U. S. and Canada	111,195	— 30	— 12	— 39	— 29
TRUCK PRODUCTION:					
United States	31,338	— 1	— 3	— 29	— 24
Canada	538	— 52	— 4	— 77	— 34
U. S. and Canada	31,876	— 3	— 2	— 32	— 24
GENERAL MOTORS' SALES:					
Dealers' Sales, U. S.	51,740	— 26	—	— 32	— 11
Division Sales, U. S.	47,895	— 24	—	— 31	— 9
Division Sales, U. S. and Foreign	58,122	— 17	— 9	— 26	— 7

General Motors' sales in September declined substantially from August and from September, 1930. For the first 9 months of 1931, dealers' sales in the United States declined 11 per cent from the corresponding period of 1930; division sales in the United States, 9 per cent; and division sales in the United States and foreign countries combined, 7 per cent. The magnitude of the decline in division sales in the United States and foreign countries combined in September from August, when compared with the 5-year average September decline of only 9 per cent, indicates the resistance encountered in marketing automobiles under present business conditions.

Retail Trade

The report of the Federal Reserve Board on department store sales in 239 cities of the United States showed a decline of 15 per cent from October of last year, and, for the ten months ending October, a decline of 10 per cent from the corresponding period of 1930. The decline in the value of sales from October of last year was experienced in all the Federal Reserve districts and ranged from 9 per cent in the Boston district to 23 per cent in the Dallas district, amounting to 10 per cent in the New York district, 12 per cent in the Richmond and Minneapolis districts, 13 per cent in the San Francisco district, 15 per cent in the St. Louis district, 16 per cent in the Chicago district, 20 per cent in the Cleveland and Kansas City districts, 21 per cent in the Atlanta district, and 22 per cent in the Philadelphia district. Department store sales for the ten months ending October, 1931, fell behind the corresponding period of 1930 in all the Federal Reserve districts.

The sales of 43 retail chain stores and mail order companies increased 13.9 per cent in October from September and were only 8.4 per cent less than in October, 1930. The October sales increase from September was experienced in all of 12 groups of retail stores except in one furniture chain. The October increase from September ranged from 3.8 per cent in 3 restaurant chains to 43.5 per cent in 1 dry goods chain. Two department store chains realized an increase of 26.5 per cent from September; 11 five-and-ten cent stores, 18.7 per cent; 10 grocery chains, 13.1 per cent; 2 men's clothing chains, 11.2 per cent; 3 mail order houses, 10.5 per cent; and 2 shoe chains, 10.3 per cent. As compared with October, 1930, there was a gain in sales volume in 10 five-and-ten stores, 2 drug chains, and 1 dry goods chain.

Wholesale Prices

The Annalist index of wholesale commodity prices on November 3 at 101.8 was 1.9 points higher than on the corresponding date of October. This increase was due primarily to the increase in the price of wheat and steers in the farm products group and of crude oil in the fuels group. If wheat prices during this period had remained unchanged, the index on November 3 would have shown a slight decline from the previous week and only a fractional increase from the corresponding date of the previous month. It thus appears that the 1.9 points increase in the index during the month is not indicative of the course of commodities generally, although the rate of decline in the other groups of commodities has tended to be somewhat retarded.

TABLE XV

INDICES OF U. S. WHOLESALE PRICES BY COMMODITY GROUPS—NOVEMBER 3, 1931

Average Month 1913 Equals 100
Source: The Annalist

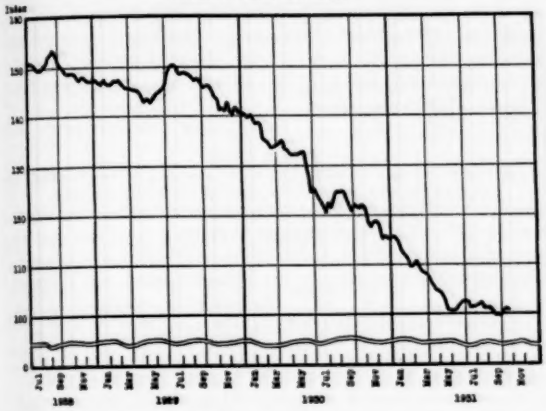
Commodities	Index Oct. 6, 1931	Index Nov. 3, 1931	Change in points from Oct. 3, 1931	Change in points from Nov. 4, 1930
Farm Products	81.4	87.6	+ 6.2	—23.1
Food Products	113.5	111.2	— 2.3	—20.4
Textile Products	86.3	84.9	— 1.4	—22.8
Fuels	126.2	128.8	+ 2.6	—17.5
Metals	100.5	100.1	— 0.4	— 5.4
Building Materials	113.5	111.9	— 1.6	—19.2
Chemicals	97.3	97.3	0.0	— 8.7
Miscellaneous	92.2	92.4	+ 0.2	— 4.4
ALL COMMODITIES	99.9	101.8	+ 1.9	—18.5

As compared with November 4, 1930, wholesale commodity prices on November 3 of this year had declined 18.5 points. The decline from November of last year was characteristic of all groups of commodities, ranging from 4.4 points in the miscellaneous group to 23.1 points in the farm products group, and amounting to 5.4 points in the

metals group, 8.7 points in the chemicals group, 17.5 points in the fuels group, 19.2 points in the building materials group, 20.4 points in the food products group, and 22.8 points in the textiles products group.

CHART III

WEEKLY INDEX OF WHOLESALE PRICES
July, 1928, to October 27, 1931
Average Month 1913 Equals 100
Source: *The Annalist*



Foreign Trade and Prices

The merchandise exports of the United States increased in September from August as did also the merchandise imports. The greater increase in exports than in imports, however, resulted in an excess of exports, reversing the temporary situation in August, when there occurred an excess of imports, a condition quite the reverse of the customary situation during the past 2 years. September exports, however, declined 42 per cent from September, 1930, and imports, 24 per cent. The relatively large decline in exports, as compared with the decline in imports, resulted in a decline of 88 per cent in the excess of exports in September as compared with the same month of last year. For the 9 months ending September, merchandise exports declined 38 per cent; merchandise imports, 33 per cent; and the excess of exports, 59 per cent.

Although the export of gold from the United States, which became so characteristic of October, was present in September, the imports of gold far exceeded the exports so that for the month of September there was still an excess of imports, although the excess was 64 per cent less than in August. Beginning with the week ending September 30, exports of gold exceeded imports in each successive week through the week ending November 4, and the total net export of gold for the period of September 24 to October 28 amounted to more than $338,000,000. During the week ending November 4, however, there was a noticeable decline in the net export of gold, although gold exports in that week still exceeded imports.

TABLE XVI

FOREIGN TRADE OF THE UNITED STATES AND THE UNITED KINGDOM

(In Millions)
Sources: U. S. Department of Commerce
London Times

Country	Aug., 1931	Sept.* 1931	Change Sept., 1931 from Aug., 1931	Change Sept., 1931 from Sept., 1930	Total Jan.-Sept. 1931 Change from 1930
UNITED STATES: (Dollars)			%	%	%
Merchandise Exports...	$164.8	$181.0	+ 10	— 42	— 38
Merchandise Imports...	166.7	171.0	+ 3	— 24	— 33
Excess of Exports.....	†—1.9	10.0	**	— 88	— 59
Gold Exports	.039	28.708	***	+158	— 70
Gold Imports	57.539	49.240	— 14	+260	+ 28
Excess of Imports.....	57.500	20.532	— 64	+706	+ 81
UNITED KINGDOM: (Pounds Sterling)					
Exports.....	29.1	29.8	+ 2	— 30	— 34
Imports.....	65.3	68.3	+ 5	— 13	— 21
Excess of Imports.....	36.2	38.5	+ 6	+ 7	— 4

* United States figures subject to revision.
** Excess of imports in comparable period.
*** Over 1000 per cent increase.
† Excess of imports.

The merchandise exports of England increased 2 per cent in September from August, while imports increased 5 per cent, resulting in an increase of 6 per cent in the excess of imports. As compared with September, 1930, both exports and imports declined, but the relatively more rapid decline in exports resulted in a 7 per cent increase in the excess of imports. The excess of imports for the 9 months ending September, however, declined 4 per cent from the corresponding period of 1930.

TABLE XVII

INTERNATIONAL WHOLESALE PRICE INDICES

1926 = 100
Source: Journal of Commerce

Country	Index Oct. 2, 1931	Index Nov. 6, 1931	Change in points from Oct. 2, 1931	Change in points from Nov. 9, 1930
United States: (Fisher's).....	68.1	68.3	+ 0.2	—13.9
Great Britain: (Crump's).....	64.2	66.7	+ 2.5	— 5.9
Italy:* (Milan Chamber of Comerce).....	50.2	50.6	+ 0.4	— 8.2

* Figures for Italy are two weeks previous to the dates as indicated above.

On November 6, the wholesale commodity price index showed an increase from October 2, amounting to 0.2 of 1 point in the United States, 2.5 points in Great Britain, and 0.4 of 1 point in Italy. As compared with November 9, 1930, wholesale commodity prices on November 6 showed a decline of 13.9 per cent in the United States, 5.9 per cent in Great Britain, and 8.2 per cent in Italy.

CONSTRUCTION ACTIVITY IN OHIO DURING THE THIRD QUARTER OF 1931

THE total value of construction contracts awarded in Ohio during the third quarter of 1931 fell 40.8 per cent below the second quarter of 1931, and 47.8 per cent below the corresponding quarter of 1930. The decline during the third quarter, as compared with the second quarter, was experienced in all the chief cities of the State except Dayton and Toledo; the former having shown an increase of 22.1 per cent; the latter, of 26.8 per cent. The decline from the third quarter of 1930 was experienced in all the chief cities of the State except Dayton, which reported an increase of 16.4 per cent. The decline in the value of contracts awarded from the second quarter of 1931 ranged from 13.8 per cent in Columbus to 58 per cent in Canton, and amounted to 23.6 per cent in Akron, 43.2 per cent in Cleveland, 45.5 per cent in Youngstown, and 46.5 per cent in Cincinnati. The decline from the third quarter of 1930 ranged from 25.2 per cent in Youngstown to 83.5 per cent in Toledo, and amounted to 34.8 per cent in Cincinnati, 51.7 per cent in Cleveland, 53.9 per cent in Canton, 61 per cent in Akron, and 74.2 per cent in Columbus.

The decline from the second quarter of 1931 was experienced in all types of building, as was also the decline from the third quarter of 1930. The greatest decline from the second quarter occurred in public works and utilities construction, which was 43.2 per cent less than in the second quarter. In the building group, non-residential building showed a greater decline from the second quarter than did residental building, and the decline in both groups was more than 30 per cent. As compared with the third quarter of 1930, the third quarter of this year showed a decline of 35.4 per cent in public works and utilities construction, 36.5 per cent in residential construction, 51.9 per cent in commercial construction, 71.2 per cent in educational construction, and 74 per cent in industrial construction. Although the largest percentage declines occurred in commercial, educational, and industrial construction, the largest declines in dollar value occurred in residential building and in public works and utilities construction.

Residential building and public works and utilities construction declined during the third quarter of this year from the corresponding quarter of 1930 in all the chief cities of the State, as well as in the State outside the 8 chief cities. Industrial building for the same period declined in all the chief cities except Cincinnati; educational building, in all the cities except Cincinnati and Dayton; and commercial building, in all the cities except Akron, Toledo, and Youngstown.

TABLE XVIII
VALUE OF TOTAL CONSTRUCTION CONTRACTS AWARDED IN OHIO CITIES, AND OF VARIOUS TYPES OF CONSTRUCTION IN THE STATE OF OHIO
(In Thousands of Dollars)
Source: F. W. Dodge Corporation

Cities and Types	First Three Quarters 1931	Change from First Three Quarters 1930	Third Quarter 1931	Change from Second Quarter 1931
ALL CONSTRUCTION:		%		%
Akron	$ 3,481.2	—75.3	$ 1,055.3	—23.6
Canton	1,693.8	—43.8	317.7	—58.0
Cincinnati	23,861.2	—28.8	5,971.8	—46.5
Cleveland	24,912.6	—27.3	6,040.2	—43.2
Columbus	4,201.4	—56.6	1,246.5	—13.8
Dayton	3,165.3	—61.4	1,819.8	+122.1
Toledo	4,365.1	—73.7	1,594.9	+ 26.8
Youngstown	2,614.0	—40.4	618.8	— 45.5
Other than 8 Cities	84,749.5	—34.8	22,845.1	— 44.9
STATE OF OHIO:				
Total Construction	$153,044.1	—39.7	$41,510.1	— 40.8
Total Building	99,276.5	—43.9	25,436.6	— 39.2
Residential	38,429.8	—34.9	10,238.0	— 34.8
Non-residential	60,846.7	—48.4	15,198.6	— 41.8
Commercial	14,984.0	—51.9	3,840.2	— 27.7
Educational	12,808.4	—50.1	2,570.1	— 56.8
Industrial	13,802.0	—57.0	3,117.5	— 59.8
Other Non-Residential	19,252.3	—33.8	5,670.8	— 19.8
Pub. Works & Util.	53,767.6	—30.0	16,073.5	— 43.2

The percentage distribution of the several types of construction during the third quarter of 1931 in Ohio and in the 8 chief cities of Ohio is shown in Table XX. For the State as a whole, slightly more than 60 per cent of the value of total construction was traceable to building construction, and slightly less than 40 per cent to public works

TABLE XIX
VALUE OF TYPES OF CONSTRUCTION CONTRACTS AWARDED IN OHIO AND OHIO CITIES, THIRD QUARTER, 1931
(In Thousands of Dollars)
Source: F. W. Dodge Corporation

City	Non-Residential Buildings: Commercial Building		Educational Building		Industrial Building		Other Non-Residential Building		Residential Building		Public Works and Utilities		Total Construction	
	July-Sept. 1931	Change from July-Sept. 1930	July-Sept. 1931	Change from July-Sept. 1930	July-Sept. 1931	Change from July-Sept. 1930	July-Sept. 1931	Change from July-Sept. 1930	July-Sept. 1931	Change from July-Sept. 1930	July-Sept. 1931	Change from July-Sept. 1930	July-Sept. 1931	Change from July-Sept. 1930
		%		%		%		%		%		%		%
Akron	$ 523.5	+ 79.9	—	—100.0	$ 15.0	— 90.0	$ 30.0	— 83.7	$ 282.0	— 46.1	$ 204.8	— 81.3	$ 1,055.3	— 61.0
Canton	64.0	— 28.1	—	—100.0	—	**	100.0	+ 33.3	39.8	— 85.8	113.9	— 51.1	317.7	— 53.9
Cincinnati	395.5	— 76.4	$ 525.0	+ 1.8	1,860.0	+494.2	263.5	— 85.0	2,366.9	— 23.6	560.9	— 68.9	5,971.8	— 34.8
Cleveland	531.0	— 70.8	38.7	— 61.2	86.0	— 96.8	2,378.4	— 37.8	1,089.7	— 26.4	1,916.4	— 26.9	6,040.2	— 51.7
Columbus	190.5	— 24.1	85.0	— 92.6	30.0	— 85.8	151.7	— 78.3	331.4	— 69.6	457.9	— 67.9	1,246.5	— 74.2
Dayton	72.0	— 85.1	300.0	+187.4	30.0	— 25.0	1,006.1	*	268.5	— 36.5	143.2	— 69.1	1,819.8	+ 16.4
Toledo	666.0	+120.0	—	—100.0	503.0	— 90.9	—	—100.0	151.5	— 73.4	274.4	— 57.8	1,594.9	— 83.5
Youngstown	259.0	+502.3	60.0	**	5.0	— 91.7	20.0	— 63.8	199.5	— 57.7	75.3	— 61.8	618.8	— 25.2
Other than 8 Cities	1,138.7	— 62.5	1,561.4	— 65.1	588.5	— 80.3	1,721.1	— 32.7	5,508.7	— 32.7	12,326.7	— 24.8	22,845.1	— 33.3
STATE OF OHIO	$ 3,840.2	— 51.9	$ 2,570.1	— 71.2	$ 3,117.5	— 74.0	$ 5,670.8	— 41.6	$10,238.0	— 36.5	$16,073.5	— 35.4	$41,510.1	— 47.8

** None last year.
* Over 1000 per cent gain.

TABLE XX

PERCENTAGE DISTRIBUTION OF TYPES OF CONSTRUCTION CONTRACTS AWARDED IN OHIO AND OHIO CITIES, THIRD QUARTER, 1931

Source: F. W. Dodge Corporation

Type	State	Akron	Canton	Cincinnati	Cleveland	Columbus	Dayton	Toledo	Youngstown	Other than 8 Cities
	%	%	%	%	%	%	%	%	%	%
Total Construction	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
TOTAL BUILDING	61.3	80.6	64.1	90.6	68.3	63.3	92.1	82.8	87.8	46.0
Residential	24.7	26.7	12.5	39.6	18.1	26.6	14.8	9.5	32.2	24.1
Non-Residential	36.6	53.9	51.6	51.0	50.2	36.7	77.3	73.3	55.6	21.9
Commercial	9.2	49.6	20.1	6.6	8.8	15.3	3.9	41.8	41.9	5.0
Educational	6.2	—	—	8.8	0.7	6.8	16.5	—	9.7	6.8
Industrial	7.5	1.4	—	31.2	1.4	2.4	1.6	31.5	0.8	2.6
Other Non-Residential	13.7	2.9	31.5	4.4	39.3	12.2	55.3	—	3.2	7.5
PUBLIC WORKS AND UTILITIES	38.7	19.4	35.9	9.4	31.7	36.7	7.9	17.2	12.2	54.0

and utilities. Of building construction, slightly more than 24 per cent was traceable to residential construction, and slightly more than 36 per cent to non-residential construction. In the non-residential group, commercial construction contributed the major value.

Although building construction constituted little more than 60 per cent of the total value of construction in the State, it constituted a substantially larger percentage of the total in the 8 chief cities. The percentage for the cities ranged from 63.3 per cent in Columbus to 92.1 per cent in Dayton, and amounted to 64.1 per cent in Canton, 68.3 per cent in Cleveland, 82.8 per cent in Toledo, 87.8 per cent in Youngstown, and 90.6 per cent in Cincinnati. The difference in these cities in the relative importance of public works and utilities construction during the third quarter is likewise striking. This type of construction ranged from 7.9 per cent of the total in Dayton to 36.7 per cent of the total in Columbus, and amounted to 9.4 per cent of the total in Cincinnati, 12.2 per cent in Youngstown, 17.2 per cent in Toledo, 19.4 per cent in Akron, 31.7 per cent in Cleveland, and 35.9 per cent in Canton. In the State outside the chief cities, building construction accounted for 46 per cent of the total value of contracts awarded, and public works and utilities construction, for 54 per cent of the total value. Residential building, although accounting for almost 25 per cent of the total building in the State, accounted for only 9.5 per cent of the total in Toledo, 12.5 per cent of the total in Canton, 14.8 per cent of the total in Dayton, and 18.1 per cent in Cleveland. However, residential building accounted for 26.6 per cent of the total in Columbus, 26.7 per cent of the total in Akron, 32.2 per cent of the total in Youngstown, and 39.6 per cent of the total in Cincinnati. In Cincinnati and Toledo, industrial building constituted a larger proportion of the non-residental total than in the other cities, while commercial building in Toledo, Youngstown, and Akron constituted more than 40 per cent of total non-residential building.

The total value of contracts awarded in Ohio during the first 3 quarters of 1931 declined almost 40 per cent from the corresponding period of 1930. The decline for the 9 months ending September was experienced in all the chief cities of the State, as well as in the State outside the chief cities, and in all types of construction. The decline during the first 3 quarters ranged from 27.3 per cent in Cleveland to 75.3 per cent in Akron, and amounted to 28.8 per cent in Cincinnati, 40.4 per cent in Youngstown, 43.8 per cent in Canton, 56.6 per cent in Columbus, 61.4 per cent in Dayton, and 73.7 per cent in Toledo. In the State outside the 8 chief cities, the decline amounted to 34.8 per cent. Although public works and utilities construction showed a larger percentage decline from the second quarter than did building construction, for the first 9 months of 1931, the percentage decline in building construction exceeded that of public works and utilities construction.

Viva Boothe.

WAGES OF MINORS BELOW EIGHTEEN YEARS OF AGE EMPLOYED IN OHIO IN 1928

OVER 90 per cent of the 20,995 minors under 18 years of age, reported to the Ohio Division of Labor Statistics* as gainfully employed in Ohio in 1928, received less than $20 a week, while only 22.8 per cent of the workers over 18 years of age were receiving wages as low. Slightly more than one-third (34.7 per cent) of the junior workers received less than $10 per week, and slightly more than three-fourths (77.2 per cent), less than $15 per week. Of the workers over 18 years of age, only 2.2 per cent were reported as receiving less than $10 per week, and 10.4 per cent, as receiving less than $15 a week. While 9.2 per cent of the workers over age 18 received more than $50 a week, only a fraction of 1 per cent of the workers under age 18 received as much.

The further analysis of wages in 1928 given in Table XXII shows that a lower wage for workers under 18 was

TABLE XXI

PERCENTAGE OF JUNIOR AND OF ADULT WORKERS FALLING BELOW INDICATED SALARY LEVELS IN 1928

Source: Ohio Division of Labor Statistics*

Salary	Total Workers Under 18 Years	Total Workers Over 18 Years
Under $10 per week	34.7	2.2
Under $15 per week	77.2	10.4
Under $20 per week	92.8	22.8
Under $25 per week	97.1	40.1
Under $30 per week	98.6	55.5
Under $35 per week	99.3	69.2
Under $40 per week	99.6	79.5
Under $50 per week	99.8	90.8
Total	100.0	100.0

* Represents week of highest employment.

* These reports included only those workers employed in firms with more than three employes during the one week of highest employment. For this reason, it is probable that 20,995 did not fully represent the total number of workers below 18 years of age who were actually employed in Ohio in 1928.

TABLE XXII

PERCENTAGE OF WORKERS EMPLOYED IN OHIO IN 1928, FOR LESS THAN $10, $15, AND $20 PER WEEK, RESPECTIVELY

Source: Ohio Division of Labor Statistics*

Salary	All Workers		Wage Earners		Clerical Workers		Salespeople	
	Per Cent of Total Under 18	Per Cent of Total 18 and Over	Per Cent of Total Under 18	Per Cent of Total 18 and Over	Per Cent of Total Under 18	Per Cent of Total 18 and Over	Per Cent of Total Under 18	Per Cent of Total 18 and Over
MALES:								
Less than $10 per week	40.2	1.1	41.6	1.0	24.9	0.9	44.1	2.7
Less than $15 per week	75.1	3.4	75.7	3.3	69.8	3.5	75.0	6.2
Less than $20 per week	91.4	11.0	92.4	11.0	85.1	9.8	87.4	13.4
FEMALES:								
Less than $10 per week	24.6	6.3	27.0	7.8	13.2	1.4	26.2	9.3
Less than $15 per week	81.1	35.0	85.2	42.5	61.7	11.9	83.9	47.1
Less than $20 per week	95.4	64.9	97.4	73.4	87.2	38.2	95.6	79.4

* Represents week of highest employment.

characteristic in varying degrees in all three of the chief classifications: Wage earners, clerical workers, and salespeople. Without exception, the younger workers as a group received relatively the lower wages, in spite of all the exceptional cases where boys are said to be "making man's wages" in the early teens.

Males under 18 have a slight wage advantage over females of the same age, 8.6 per cent of the males receiving more than $20 a week as compared with only 4.6 per cent of the females. At the $20 level this slight advantage for the males was present in each of the three major classifications shown in Table XXII. Above age 18 the advantages of the males increased greatly. Only 11 per cent of the males above age 18 were employed at less than $20 per week, while over 64 per cent of the females above age 18 worked at wages below the $20 level.

At the wage level below $15 a week, likewise, the same difference appeared between the sexes, except among clerical workers. Here a smaller percentage of female than of male clerical workers under 18 received less than $15 per week, and a smaller percentage of the females than of the males received less than $10 per week. Thus female clerical workers under 18 years of age in the group receiving less than $15 a week seem to have had some advantage over males in the same class, but here their advantage seems to end.

When the actual number of juvenile and adult workers employed at the different wage levels are compared, a different aspect of the subject emerges. In the wage groups receiving less than $10 a week, there were 7,285 workers under 18 years of age, and 31,671 workers at or above age 18; a ratio of juvenile to adult workers of 1 to 4. In the wage groups receiving between $10 and $15 a week, there were 8,733 workers under 18 years of age and 118,048 workers at or above age 18; a ratio of 1 to 12. In the wage groups above $15 a week, there were only 4,977 minors as contrasted with 1,289,884 adults; a ratio of 1 to 259.

From the reports of the firms in Ohio employing more than three wage earners during the week of highest employment in 1928, the following generalizations as to the employment and pay of minors seem warranted:

(1) Minors under 18 years of age generally received a lower wage than did the bulk of older workers. (2) At the same time, minors constituted only about one-fifth of the workers receiving wages of less than $10 a week and about one-tenth of the workers receiving wages of less than $15 a week. These lower wage levels were the levels at which most of the junior workers were employed. (3) Females under 18 were generally employed at a slightly lower wage than were males under 18; and this disadvantage was much greater for females in the group above 18 years of age. (4) Although minors under 18 are often spoken of as "cheap labor," the fact is that they have shown some competitive possibilities, inasmuch as the 13,710 juvenile workers who were receiving $10 a week or more had apparently entered into competition with and beaten the larger adult group of 31,671 workers who were receiving less than $10 a week. (5) According to the 1928 reports, however, junior workers were not the predominant class even at the very lowest wage level, and they did not make up the main supply of actual workers at any level where they were employed.

H. W. Widener.

TABLE XXIII

NUMBER OF JUVENILE AND ADULT WORKERS EMPLOYED IN OHIO IN 1928 AT INDICATED WAGE LEVELS

Source: Same as Table XXII

Wage Levels	Workers Under 18	Workers 18 and Over
Up to $10 per week	7,285	31,671
Up to $15 per week	8,733	118,048
Above $15 per week	4,977	1,289,884
Total	20,995	1,439,603

CHANGES IN THE COST OF LIVING IN THE UNITED STATES AND IN TWO OHIO CITIES, SINCE JUNE, 1929

DURING the 24 months ending June, 1931, the cost of living in the United States declined 11.7 per cent. The major portion of this decline in cost is to be attributed to the decline in food and clothing costs, the food item in the budget having shown a decline of 23.6 per cent during the two years, and the clothing item, of 9.5 per cent. The cost of house furnishings declined 10.8 per cent during the period, a decline slightly greater than the decline in the cost of clothing, but, since clothing costs constitute about 17 per cent of total expenditures on the average, and house furnishings only about 5 per cent, the decline in the clothing items is therefore of relatively greater significance. For the other major budget items, the decline in the United States for the 24 months amounted to

0.3 of 1 per cent for miscellaneous commodities, 5.6 per cent for fuel and light, and 7.6 per cent for rent.

For the six months ending June, 1931, living costs in the United States declined 6.5 per cent. During this period also the major decline occurred in food, with house furnishings and clothing declining 6 per cent and 4.6 per cent respectively, and with only a minor decline in the cost of the miscellaneous commodities entering into the cost of living, and a slight decline in rents.

It thus appears that living costs during the 24 months since June, 1929, have been most sharply reduced in the income groups where food costs and clothing costs constitute a relatively large proportion of the total cost of living. The extent to which total budget costs have been reduced during the past two years due to the decline in the price of the commodities composing the major budget items of working men of different income groups may be seen from Table XXIV. From this table it is seen that the percentage decline in the cost of living has been greatest in the lower income groups where food constitutes a relatively larger percentage of the total budget expenditures. Thus, although the decline in living costs for the country as a whole amounted to 11.7 per cent for the 24 months ending June, 1931, the decline in the lowest income group in Table .... amounted to 12 per cent, and in the highest to only 10.3 per cent. In the groups of working men receiving less than $900 income, where the average expenditure in 1918-1919 amounted to $842.91, the decline in living costs for the 24 months ending June, 1931, although amounting to only $101.39 represented a 12 per cent decline in total expenditures, while for the group of workers receiving between $2,100 and $2,500 in 1918-1919, the decline for the 24 months ending June, 1931, although amounting to $213.79, represented a decline of only 10.3 per cent in total expenditures.

TABLE XXIV

THE PERCENTAGE DECLINE SINCE JUNE, 1929, IN THE COST OF LIVING IN THE UNITED STATES AND IN TWO OHIO CITIES, BY MAJOR BUDGET ITEMS

Source: Bureau of Labor Statistics

Budget Items and Cities	The Percentage Decline For:		
	24 Months Ending June, 1931	12 Months Ending June, 1931	6 Months Ending June,1931
All Items			
United States	11.7	9.8	6.5
Cleveland	12.1	10.9	7.1
Cincinnati	10.4	9.2	6.4
Food			
United States	23.6	20.0	13.8
Cleveland	27.2	22.8	15.4
Cincinnati	22.3	19.4	13.5
Clothing			
United States	9.5	8.1	4.6
Cleveland	13.5	12.3	6.8
Cincinnati	12.4	11.2	9.6
Rent			
United States	7.6	5.1	3.1
Cleveland	6.8	5.0	4.3
Cincinnati	4.8	3.4	2.3
Fuel and Light			
United States	5.6	4.3	5.5
Cleveland	1.0	0.8	1.7
Cincinnati	1.0	2.7	6.2
House Furnishings			
United States	10.8	9.6	6.0
Cleveland	13.2	12.4	6.3
Cincinnati	12.3	10.8	8.4
Miscellaneous			
United States	0.3	0.9	0.7
Cleveland	0.3*	3.0	2.5
Cincinnati	1.2	0.0	1.4*

* Increase.

TABLE XXV

THE DOLLAR AND THE PERCENTAGE DECLINE IN THE COST OF LIVING SINCE JUNE, 1929, AS AFFECTED BY THE DISTRIBUTION OF EXPENDITURES FOR THE MAJOR BUDGET ITEMS, IN DIFFERENT INCOME GROUPS

Income Group	Average Yearly Expenditures of Working Men* 1818-19	Dollar Expenditures Necessary to Keep the 1918-19 Standard in: **		Decline in Cost of Living, 1931 from 1929	
		1929	1931	Dollars	Percentage
Under 900	$ 842.91	$ 842.17	$ 740.78	$101.39	12.0
900-1,200	1,076.12	1,072.54	945.90	126.64	11.8
1,200-1,500	1,300.71	1,300.73	1,153.34	147.39	11.3
1,500-1,800	1,536.68	1,540.97	1,373.09	167.88	10.8
1,800-2,100	1,755.74	1,764.34	1,577.39	186.95	10.5
2,100-2,500	2,054.97	2,059.20	1,845.41	213.79	10.3

* Actual average expenditures of 12,096 working men's families in 92 industrial centers of the United States in 1918-19 as reported by the Bureau of Labor Statistics, Bulletin No. 439.

** The total expenditure necessary to keep the 1918-19 standard when the percentage change in the prices for each major budget group is applied to the 1918-19 dollar expenditure for each major budget group.

Living costs in Cleveland for the 24 months ending June, 1931, declined 12.1 per cent as compared with the 11.7 per cent decline in the country as a whole. Declines in food, clothing, and house furnishings costs constituted the major portion of the decline in the living costs in this city also. The percentage declines in all three of these items were substantially greater in Cleveland than in the country as a whole. In two major budget items—rent and fuel and light—the decline in Cleveland was less than in the country as a whole, while the cost of the commodities entering into miscellaneous expenditures increased 0.3 of 1 per cent in this city. During the six months ending June, 1931, both rents and miscellaneous costs declined more rapidly in Cleveland than in the country as a whole as did also food, clothing, and house furnishings costs. Fuel and light costs, however, declined considerably less than in the rest of the country.

In Cincinnati, the cost of living declined 10.4 per cent during the 24 months ending June, 1931. Here also the major percentage declines occurred in food, clothing, and house furnishings costs although the cost of miscellaneous commodities, which constitutes a relatively large proportion of the total budget cost, showed a larger decline in Cincinnati than in either Cleveland or in the country as a whole. Food costs during the 24 months declined only 22.3 per cent in Cincinnati as compared with 27.2 per cent in Cleveland and 23.6 per cent in the United States. Clothing costs, which constitute about 17 per cent of the working man's annual budget, declined 12.4 per cent in Cincinnati during the two years, a decline slightly greater than for the country as a whole but somewhat less than the 13.5 per cent decline in Cleveland. Rents, which for the country as a whole constitute about 10 per cent of the working man's budget, declined 4.8 per cent in Cincinnati as compared with 6.8 per cent in Cleveland, and 7.6 per cent in the country as a whole. The decline in costs of house furnishings, amounted to 12.3 per cent in Cincinnati as compared with 10.8 per cent in the United States and 13.2 per cent in Cleveland. The decline in house furnishings costs during the six months ending June, 1931, was greater in Cincinnati than in Cleveland or the country as a whole, as was also the decline in the cost of fuel and light, and in the cost of clothing.

Viva Boothe

BOOK REVIEWS

Labor Agreements in Coal Mines, by Louis Bloch, Russell Sage Foundation, 1931, 500 pp., $2.00.

Here is a new publication which comes with peculiar timeliness to Ohio students and industrial managers. The recent crisis between the Ohio miners and the mine operators which Governor White has been seeking to resolve by some resort to joint discussion and agreement presents an immediate opportunity for testing the findings here presented by Mr. Louis Bloch, a former staff member of the Russell Sage Foundation.

In pursuance of its general policy as outlined in a foreword by Mary Van Kleeck, Director of Industrial Studies, Russell Sage Foundation, to confine its researches to those aspects of industrial relations as have permitted or utilized employe participation in the determination of economic or working condition issues, the Foundation has embodied in this study "cases of adjustment made under the agreement between miners and operators in Illinois."

The study is organized under three main headings: First, the mode of designing and initiating the agreement; second, the method and means applied to the interpretation and application of the agreement; and third, the instrumentation and manner of enforcement of these interpretations. The presentation is objective and in the spirit of a case study. It is amply documented and its summary and conclusions, embracing a third of the entire text, is concerned primarily with presenting such practice as seems to have come to be accepted as modes or norms of collective bargaining and cooperative negotiation in a particular homogeneous industrial area.

Effect of the Foreign Market on the Growth and Stability of the American Automobile Industry, D. M. Phelps, University of Michigan, Bureau of Business Research, School of Business Administration.

The conclusion of this study is that the export trade in automobiles has little relation to the stabilization of the automobile industry. It has been largely responsible for the recent growth of the industry, but the seasonal and cyclical fluctuations in the export market are similar to those in the domestic market.

The study involves a discussion of tariffs and concludes that the export trade is being retarded by tariffs while the establishment of American plants abroad is growing out of foreign tariff restrictions.

Hard Times: the Way in and the Way Out, Richard T. Ely, The MacMillan Company, 1931, 193. pp.

This book on a timely and important subject, while unconvincing, should impress the reader with the importance of the subject, and stimulate to further inquiry.

Commodity Marketing, by R. F. Breyer, McGraw-Hill, 1931, 471 pp., $4.00.

To study the actual marketing processes by which specific commodities pass into the hands of consumers is perhaps the most realistic approach to the field of marketing. Certain of the functional, institutional, historical, or even consumer aspects of the subjects may be introduced always with concrete reference to some particular type of goods. As the author suggests, some repetitions are likely to appear under this manner of treatment. Yet when used along with a more critical and generalized treatise on marketing principles and problems, a descriptive volume on commodity marketing is a valuable reference work to have.

Besides chapters on "The Industrial Market," "Electric Public Utility Marketing," and "Marketing Telephone Service," the book deals at length with coal, crude petroleum, iron ore, pig iron, rolled steel, Portland cement, meats, cotton textiles, tobacco, farm equipment, industrial machinery, and the passenger automobile. Less attention is given to chemicals, rubber, rubber products, leather, lumber, paper products, and other commodities. As the author points out, however, his selections were all made on empirical grounds, and his aim was simply to include those important lines whose marketing processes are in some respect distinctive.

Our Economic System, Volumes I and II, H. Gordon Hayes, Henry Holt and Company, Vol. I, 545 pp; Vol. II, 575 pp., $3.00 per volume.

This two volume work of Dr. Hayes' is an orderly and stimulating presentation of the organization and functioning of the economic system. Although the work is designed to meet the needs of students in the beginning economics courses in universities and colleges, it will be of interest and benefit to all intelligent individuals attempting to think constructively on the difficulties encountered at present by the system.

CONVENTION CALENDAR

Nov. 30-Dec. 4	New York, N. Y.	The American Society of Mechanical Engineers, Calvin W. Rice, Secretary, 29 W. 39th St., New York City.
Dec. 7, 8, 9	Chicago, Ill.	American Farm Bureau Federation, M. S. Winder, Secretary, 58 E. Washington Street, Chicago, Ill.
Dec. 28-30	Washington, D. C.	American Economic Association, Prof. F. S. Deibler, Secretary, Northwestern University, Evanston, Ill.
Dec. 28-30	Washington, D. C.	American Statistical Association, Dr. Willford I. King, Secretary, 236 Wooster Street, New York City.

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